

ENTREPRENEURSHIP SKILLS FOR RURAL YOUTH: ANALYTICAL HIERARCHY PROCESS

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ABSTRACT

Entrepreneurship has long been considered a key mechanism of economic development. Youth entrepreneurs play a not only prime mover in economic development but also in the development of agricultural and service sector. This article disputes the priorities of the entrepreneurship skills among rural youth in order to determine weighted values for skills using AHP method. Analytic Hierarchy Process (AHP) is an effective tool of decision-making, it analysis and provides imminent response to complex problems by incorporating qualitative and quantitative decision criteria. The results showed that human resource management skills are weighted the first most priority skill to become successful entrepreneur among the rural youth.

KEYWORDS: Entrepreneurial Skills, Rural Youth & AHP Method

Received: Aug 14, 2019; **Accepted:** Sep 04, 2019; **Published:** Oct 28, 2019; **Paper Id.:** IJASRDEC20192

INTRODUCTION

Entrepreneurship is becoming an emerging important field in our nation. Entrepreneurship plays the promising role in fiscal development through a process of creative business market. Entrepreneurship is a creative and innovative response to the environment. Entrepreneurship culture implies a set of values, norms and traits that are conducive to the growth of entrepreneurship. Entrepreneurs are creating a business, provide jobs, innovative in nature, raise competition and are responsive to change of economic opportunities and trends. Youth entrepreneurs are increasingly important central figure of economic activities and prime mover of development.

To promote entrepreneurs who would take to entrepreneurship in success way in utmost earnestness is to be in no doubt by means of entrepreneurship skills. Traits are basic identity of entrepreneurs. The youth entrepreneur who evaluated in the study that they admitted entrepreneurs have special particular entrepreneurial activity leads to make possible successful business. This study analyzes weightage scores for entrepreneurship skills of rural youth in agricultural sector.

METHODOLOGY

In this study, weighted scale was developed for entrepreneurial skills using in the Analytical Hierarchy Process (AHP). Thomas L. Saaty (1980) developed the analytical hierarchy process, it's a formal and structured decision-making tool. AHP is an effective tool based on psychological analysis using paired comparison.

Method of Collection

In this study, entrepreneurial skills are examined to the rural youth entrepreneurs. Based on the literatures, nearly 60 traits are collected and contributed for the entrepreneurial activities to the entrepreneurs. Those 63 traits are combining under seven skills. The following skills were presented in table.1.

Table 1: Distribution of the Entrepreneurial Skills with Traits of Rural Youth in Agriculture

Sl. No	Skills	Traits
1.	Entrepreneurial key skills	Innovative, initiative, creativity, risk taking, tolerance, hard work, decision-making, problem-solving, achievement
2.	Marketing skills	Trend marketing, Sales skill, commercial skill, negotiation skill, marketing savvy, buyer persona, influencer marketing, content marking, marketing strategy
3.	Behavioral skills	Self confidence, accept failure, persistence, passion, motivation, independent, self efficacy, smart self promoter, vision, perception
4.	Business management skills	Managerial skills, capacity planning, business launch, growth management, strategic decisions, technological, organizational, goal setting, analyze and evaluate, competitive
5.	Human resources management skills	Leadership skills, collective skills time management skills, information skills, group skills, network building, customer care, time management skills, identification of opportunities, communication skills and management of family relationship skill
6.	Economic resources skills	Financial management, accountability, resource management skills, quantity and quality control, economic management
7.	Soft skills	Listening skills, attentive, ethics, friendly, courteous, honest, critical thinking, artistic sense, presentation, inspiring

Method of Data Analysis

The entrepreneurship skills are qualitative in nature. The exact measurements of skills are very difficult at the same time an entrepreneur well known about his relative degree of importance to make a successful business. In this study, 210 individuals were participated to make comparative judgments of the relative degree of importance of seven skills relating to the participation of the basic traits of entrepreneurs. That extended average of values was taken for the AHP analysis. The AHP scale values were present in table.2.

Table 2: The AHP Scale Value of Rural Youth Entrepreneurs of Entrepreneurship Skills

	Human Resource Skills	Entrepreneurial Key Skills	Behavioral Skills	Marketing Skills	Soft Skills	Business Management Skills	Economic Resources Skills
Human	1.00	3.00	3.00	5.00	5.00	7.00	9.00
Entrepreneurial	0.33	1.00	3.00	5.00	5.00	7.00	7.00
Behavioral	0.33	0.33	1.00	3.00	3.00	5.00	5.00
Marketing	0.20	0.20	0.33	1.00	3.00	5.00	5.00
Soft skills	0.20	0.20	0.33	0.33	1.00	3.00	3.00
Business	0.14	0.14	0.20	0.20	0.33	1.00	3.00
Economic	0.11	0.14	0.20	0.20	0.33	0.33	1.00

The pairwise comparison matrix shows the importance of the entrepreneurship skills of rural youth entrepreneurs. From table 2 we reviewed that Human resource skills (A) are favored moderate importance than Entrepreneurial key skills and Behavioral skills (B) so, the value is three, at the same time the opposite of reciprocal value is $1/3 = 0.33$ following that Human resource skill (A) are strongly favored than Marketing skills and soft skills (B) so, the value is five and the reciprocal value is 0.20. Human resource skills (A) are extremely important than economic skills (B) of entrepreneurs, it present nine and the opposite reciprocal value is 0.11. Similarly, the pairwise comparison matrix method was completed.

WEIGHTING CRITERIA

The normalizing matrix was done which means to divide each element in every column by the sum of that column. Weighting is a procedure, its construct concrete values through weighting factor of the comparison matrix. The normalized matrix score were presented in table 3.

Table 3: Normalizing Matrix

	1	2	3	4	5	6	7	Sum	Weighted score
Human	0.43	0.60	0.37	0.34	0.28	0.25	0.27	2.54	0.36
Entrepreneurial	0.14	0.20	0.37	0.34	0.28	0.25	0.21	1.80	0.26
Behavioral	0.14	0.07	0.12	0.20	0.17	0.18	0.15	1.04	0.15
Marketing	0.09	0.04	0.04	0.07	0.17	0.18	0.15	0.73	0.10
Soft skills	0.09	0.04	0.04	0.02	0.06	0.11	0.09	0.44	0.06
Business	0.06	0.03	0.02	0.01	0.02	0.04	0.09	0.27	0.04
Economic	0.05	0.03	0.02	0.01	0.02	0.01	0.03	0.18	0.03
Sum	1.000	1.000	1.000	1.000	1.000	1.000	1.000	7.000	1.000

From the table, it showed that human resource management skill was the most important criteria which imply highest weightage score with 0.36. Following that entrepreneurial skills, behavioural skills, marketing skills, soft skills, and business skills, economic skills got the weightage score 0.26, 0.15, 0.10, 0.06, 0.04, and 0.03.

Consistency Check

Consistency check is an imperative tool of AHP. AHP allows the valuation inconsistencies but should not exceed 10%. To validate the results of the AHP, the consistency ratio (CR) is calculated using the formula, $CR = CI/RI$ in which the consistency index (CI) is, in turn, measured through the following formula:

$$CI = \frac{\lambda_{\max} - n}{n - 1}$$

$$CI = 0.081$$

Then, the CR value is 0.081 which means that the ratio exceed 0.08, i.e., <10% of the set of judgments may be too reliable.

CONCLUSIONS

This paper proposes the AHP move towards for decisive priorities and the weighted values of particular entrepreneurship skills for rural youth. The result showed that the first preference gives to human resource management skills to least preferred economic skills. The entrepreneurs were well known about their priorities to lead the successful business.

ACKNOWLEDGMENT

I sincerely thank to Indian council of Social Science Research Institute for their contributing fund thorough the fellowship of ICSSR administrative doctoral fellowship for the period (2017–2019) of research work.

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